

**PLANNING AND ZONING BOARD
JOINT MEETING WITH
BOARD OF COUNTY COMMISSIONERS
TO RECEIVE ANNUAL REPORT FROM CF INDUSTRIES, INC.
DECEMBER 12, 2002 – 5:30 P.M.
Conference Room, Hardee County Public Health Department
115 K.D. Revell Road, Wauchula, Florida**

MINUTES

Commissioners

District I William R. Lambert, Chairman
District II Clifton "Nick" Timmerman
District III Gordon R. Norris, Vice-Chairman
District IV Bobby Ray Smith
District V Walter B. Olliff, Jr.

Planning and Zoning Board

James Barncord arrived at 6:55 P.M.
Don Chancey, present
Roger Conley, absent
Dan Graham, Vice-Chairman, present
Charles Nicholson, excused
Carl Saunders, present
Fred Small, present
Vida Tomlinson, Chairman, present

Staff

Development/Planning Director Kris Delaney, present
Building / Zoning Director T. Mike Cassidy, present
County Attorney Ken Evers, present
County Manager Lex Albritton, present
Office Manager B.J. Haney, excused
B/Z Executive Secretary Tina Huntsman, present
Mining Coordinator Doug Knight, present
Clerk of the Courts B. Hugh Bradley, absent
Deputy Clerk Rita Montanez, present
Office Manager Susan Dick, present

CF Industries, Inc. Staff

A.L. "Judge" Holmes, V.P. Phosphate Operations
Nick Kataras, General Manager
Kenny Miller, Environmental Compliance
Jim Sampson, Director, Environmental Affairs
Paul Cutchin, Superintendent Reclamation
Mike Vickers, Director Administrative Services
Billy Doyle Rogers, Mining Superintendent
R.C. Albritton, Beneficiation Superintendent
Gary Blitch, Environmental Specialist
Art Holmes, Vice President South Florida Region
Dennis Baker, Treasurer

Board of County Commissioners Chairman Lambert called the joint meeting to order at 5:45 P.M.; quorum present (commencing the joint meeting was delayed so the P/Z Board could secure a quorum).

Planning and Zoning Board Chairman Tomlinson called the Planning and Zoning Board to order; quorum present.

As information, CF Industries, Inc. presented, as required by Ordinance, copies of the Hardee Phosphate Complex 2002-03 Annual Unit Review to Planning and Zoning Staff and each Commissioner on October 02, 2002 and financial statements revisions and updates which were also submitted on November 26, 2002.

Office Manager Dick advised Notice of Public Hearing was published in The Herald Advocate on December 5, 2002, and Affidavit of Publication is on file.

BCC Chairman noted the purpose of the joint meeting is to receive the Hardee Phosphate Complex 2002-03 Annual Unit Review.

Nick Kataras, General Manager, CF Industries, Inc. addressed the meeting and presented an overview of the mining areas.

Kataras reviewed Mining Activities. 2002 Planned Mining was 361 Acres, 3.4 million tons. 2002 Actual Mining 320 acres, 3.3 million tons. Planned Mining for 2003 will be 334 acres, 3.3 – 3.5 million tons (166 acres West Pasture, 168 East Pasture). Energy savings schedule planned for implementation March through October during 2003. Alternate mine plans submitted for West Pasture.

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Kenny Miller, Environmental Compliance, CF Industries, Inc., addressed the meeting and presented an overview of water usage and permitting time frames. Commissioner Lambert expressed concerns as to the 25-year time frame that only 10% of reclaimed land has been released. Miller stated that CF must follow guidelines provided by State of Florida Department of Environmental Protection before land will be released by either the Board or DEP.

Meeting RECESSED 6:35 P.M.; RECONVENED 6:47 P.M.

Paul Cutchen, Superintendent Reclamation, CF Industries, Inc., addressed the meeting and presented an overview of the South Pasture Reclamation Activities and North Pasture Reclamation Activities.

Mike Vickers, Director Administrative Services, CF Industries, Inc., and Dennis Baker, Treasurer, CF Industries, Inc., addressed the meeting and presented an overview of the CF's financial review and identified CF's corporate structure. During the \$1 billion capital program in the 1990's CF set a goal of Total Debt to Capitalization ratio of no greater than 25%, retained \$421 million in 1994-97 earnings (roughly 50% of earnings), ensured liquidity by renewing \$200 million revolving credit agreement. Actions resulted in high liquidity and debt ratio of 23% in 1997, the start of the current downturn. Fitch reconfirmed BBB (Better Business Bureau) investment grade rating in early 2002 with a stable outlook, has incurred short-term borrowing in only 14 months during the past nine years. CF holds a Certificate of Insurance in the amount of \$50 million in case of dam breakage.

Meeting RECESSED 7:45 P.M.; RECONVENED 7:55 P.M.

Lambert stated that the Board has difficulty understanding why CF CEO's do not have knowledge of bond requirements by Hardee County. Katzaras stated that CF couldn't obtain a bond; CF has tried for 10 months to obtain a bond and was unable to perfect. Lambert stated that the Board has an Ordinance that states that Hardee County will no longer accept financial statements that show a loss. Lambert stated that the Board might require a supplemental "surety" such as adding on \$100 to each acre of land reclaimed.

Lambert called for public input. None was received.

Lambert called for questions from the BCC. None was received.

Katzaras stated that CF Industries, Inc. is requesting in writing approval to continue to mine in Hardee County until BCC renders a decision at the next BCC meeting on January 23, 2002. Motion to provide written approval by Timmerman, second by Smith. MOTION carried unanimously.

Motion by P/Z Board Member Saunders with conditions from Board Member Chancey that the P/Z Board will make recommendation to the BCC at the P/Z's next regularly-scheduled meeting to accept or not accept the 2002-03 Annual Unit Review for CF Industries, Hardee Phosphate Complex, in order to have time to consider information given at the joint meeting with the conditions that the Mining Department Staff and representatives of CF be present to hear Hardee County Mining Department's staff recommendations to the Planning and Zoning; second by Board Member Barncord. Motion carried unanimously.

The joint meeting adjourned at 8:45 P.M. Motion by Board Member Chancey, second Board Member Graham to adjourn P/Z Board from joint meeting. Motion carried unanimously at 8:45 P.M.

Tina M. Huntsman
B/Z Executive Secretary